Subsidy on Non-Conventional Energy

868. MISS MABEL REBELLO: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether it is a fact that both Central and State Governments spent multi crores of rupees as subsidy on non-conventional energy like solar cooker, solar heaters etc.;

(b) the details of the amount spent during the year 1998-99 and the budget provision made for the year 1999-2000;

(c) whether it is also a fact that more than 90% of solar cookers, solar heaters, once installed, become non-functional and the precious resources of Government are wasted; and

(d) whether the money spent by Government commensurate with the benefit reaped i.e. conventional energy saved?

THE MINISTER OF STATE OF Tl IE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI M. KANNAPPAN: (a) The Central Government and some State Governments had been providing subsidy to promote the use of solar energy devices such as solar cookers, solar water heaters, and solar photovoltaic systems for lighting, pumping etc. However, the Central subsidy on solar cookers and water heaters was discontinued in 1993-94. Progressively several states have also withdrawn subsidy on these items. At present subsidy is still being provided for solar lanterns, home lighting systems, street lights, solar pumps and small power plants. The subsidy scheme on solar cookers and solar water heaters' has been replaced by a soft loan scheme implemented through the Indian Renewable energy Development Agency and some banks and support for promotional activities by State Renewable Energy Agencies.

(b) The amount spent by the Central Government during the year 1998-99 for providing subsidy, interest subsidy and other promotional activities for solar energy products was Rs. 37.36 crores. The budget provision for the year 1999-2000 is Rs. 50.35 crores.

(c) It is a fact that a large number of solar water heaters and cookers installed during the eighties became non-functional due to factors such as evolving nature of technology, lack of maintenance and lack of interest on the part of users. However, the situation has

improved greatly during the past few years due to better technology, introduction of standards, improved after sales service, etc. A recent survey by the Consumer Coordination Council in Bangalore found that 97% of the water heaters installed during the last five years were functional.

(d) The money spent by Government helped in the development of a manufacturing base in the country, improvement in the technology and products, and building consumer confidence. The investment on a solar water heater is recovered in 3-6 years depending on the fuel substituted; that on a cooker in 3-4 years. These factors have led to a commercialization of these products, enabling the Government to discontinue the capital subsidy on them. Subsidy on solar photovoltaic products has been retained because of the high initial cost and the utility of such products in rural areas. Even here, the subsidy on a solar lantern is recovered by the savings in subsidy on kerosene in 3-4 years.

Purchase of National Hydro Power Corporation by National Thermal Power Corporation

869. SHRI J. CHITHARANJAN:
SHRI GAYA SINGH:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that National Thermal Power Corporation (NTPC) has decided to buy the National Hydro Power Corporation (NHPC); and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The Government of India announced a Policy on Hydro Power Development in August, 1998 with an objective to accelerate the share of hydro power which has been continuously declining over the last three decades. As against an ideal hydel-thermal mix of 40:60, the share has gone down from 44% in 1970 to 25% in 1999. Due to this, the peaking deficits are high, theremal stations have to increasingly back down as they operate under base load condition and the grid works under stress. The policy has, therefore, laid emphasis on timely